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# **THE COMMON FISHERIES POLICY: ISSUES, IMPACT AND FUTURE OF THE CFP**

This paper aims to describe the issues surrounding the implementation of the Common Fisheries Policy (CFP). In particular it examines the conservation aspects of the policy and its economic and social impact. It also outlines the Green Paper on the Future of the CFP which will provide a framework for discussion of reform of the CFP by Member States in 2002.

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## **SUMMARY OF KEY POINTS**

The European Common Fisheries Policy (CFP) aims to address the biological, economic and social dimension of fishing.

It is generally recognised that the policy has failed in its conservation objectives due to, among other things, quota allocation being an inappropriate conservation tool when applied to a mixed fishery. In effect, the assurance of these quotas has led to over-capitalisation within the fishing industry resulting in over-exploitation of fish stocks in an attempt to recoup investment. The result is that global fish stocks have declined markedly to the point where many fisheries are close to commercial extinction.

The European Commission has recognised that action must be taken to ensure that fish stocks are exploited in a sustainable way. This will ultimately mean a restructuring of national fishing industries with decommissioning of vessels and loss of jobs. Given this scenario it is imperative that fishermen and fishing communities are helped economically and socially to adapt to the inevitable change.

The Commission has produced a Green Paper which will form the basis of discussion between Member States in the 2002 review of the CFP. There are 10 areas identified for discussion although the underlying theme is for a smaller industry, with improved co-operation between Member States to ensure fish stocks are sustainably managed. Economic and social issues relating to fishing communities affected by any restructuring are also presented in the Green Paper.

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## 1. INTRODUCTION

According to analysis from the Food and Agriculture Organization of the United Nations (FAO) based on fish harvest records from 1950 to 1994<sup>1</sup>:

- 35 percent of the most important commercial fish stocks show a pattern of declining yields and require immediate action to halt over-harvesting;
- Another 25 percent show steady yields but are being fished at their biological limit and are vulnerable to declines if fishing levels increase;
- The harvest of overexploited fish stocks has dropped 40 percent in only 9 years, from 14 million metric tons in 1985 to 8 million metric tons in 1994.

According to the FAO report approximately 60% of the world's important fish stocks are "in urgent need of management to rehabilitate them or keep them from being "over-fished". It is important to note that included in these figures are severe downward trends in certain species whose numbers have dropped to the point where fisheries are close to collapse e.g. fish stocks such as Atlantic cod, haddock, and redfish in some areas of the North Atlantic<sup>2</sup> (Figure 1). In 1996 the International Food Policy Research Institute (IFPRI) stated that the ability to meet world demand from natural fish stocks had reached its peak and was declining<sup>3</sup>. In previously fish rich regions all over the world the story is the same, fish species are in danger of being over-fished to the point of commercial extinction. An indication of the status of fish stocks can be obtained by comparison of recent catches and the maximum harvest (Table 1).

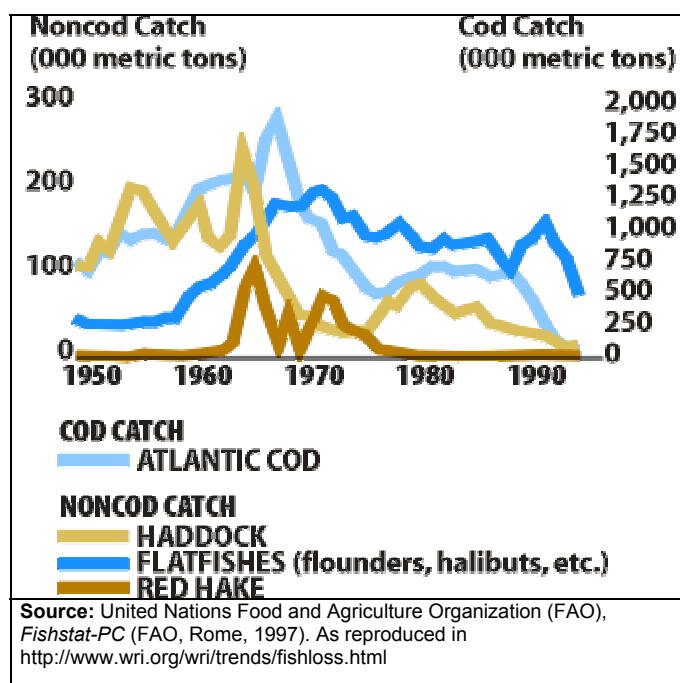


Figure 1 Trends in the catch of important commercial fish species in the North Atlantic

Area	Year of Maximum Harvest	Recent Harvest	Max Harvest
		(000 metric tonnes)	
Atlantic, Northwest	1967	1,007	2,588
Antarctic	1971	28	189
Atlantic, Southeast	1972	312	962
Atlantic, Western Central	1974	162	181
Atlantic, Eastern Central	1974	320	481
Pacific, Eastern Central	1975	76	93
Atlantic, Northeast	1976	4,575	5,745
Pacific, Northwest	1987	5,661	6,940
Pacific, Northeast	1988	2,337	2,556
Atlantic, Southwest	1989	967	1,000
Pacific, Southwest	1990	498	498
Pacific, Southeast	1990	459	508
Mediterranean	1991	284	284
Indian Ocean, Western	1991	822	822
Indian Ocean, Eastern	1991	379	379
Pacific, Western Central	1991	833	833

Table 1 A summary of the status of fisheries throughout the world defined by catch<sup>4</sup>

In the majority of areas there is a reduction in the volume of fish landed. Fisheries management is therefore widely regarded as being ineffective because of the poor state of so many fish stocks. There has been recognition that for future long-term production the emphasis must be placed on the sustainable management of stocks in accordance with the precautionary principle as well as a need to protect the ecosystem as well as individual stocks<sup>5</sup>. A consensus on world fisheries was adopted at an FAO Ministerial Conference in Rome in 1995 which urged, inter alia, that governments and international organizations take prompt action to:

- Reduce fishing to sustainable levels in areas and on stocks currently heavily exploited or overfished;
- Adopt policies, apply measures, and develop techniques to reduce by-catches, fish discards and post-harvest losses;
- Review the capacity of fishing fleets in relation to sustainable yields of fishery resources and where necessary reduce these fleets;

- Strengthen and support regional, sub-regional, and national fisheries organizations and arrangements for implementing conservation and management measures;

Keep under review the effectiveness of conservation and management measures for ensuring the long-term sustainability of fisheries and aquatic ecosystems.

The European Common Fisheries Policy (CFP) set out to address many of these issues for fishing grounds shared by European member states. It is, at best, debatable as to whether many of its objectives have been achieved.

## **2. THE EUROPEAN COMMON FISHERIES POLICY**

Three main issues largely define the concept of fisheries management:

- Sustainable utilisation of the biological resource;
- Economic efficiency and sustainability;
- Equal access to resources<sup>7</sup>.

The outline of common measures in the fishing sector dates from 1970 when there was agreement between the original six members of the EEC to set rules for access to fishing grounds, markets and structures<sup>8</sup>. Their aim was to “*promote harmonious and balanced development*” of the fishing industry and to “*encourage rational use of the biological resources of the sea*”<sup>9</sup>. While there was no *formal* common policy as such, national governments were expected to co-ordinate their structural policies and were allowed to grant national aid to their respective fishing industries to achieve common objectives<sup>10</sup>. Among the objectives were:

- Increased productivity of fishing fleets through restructuring and the intensification of the search for new fishing grounds and new methods of fishing;
- Improvements in the standard of living of people dependent on fishing for their livelihood.

A comprehensive programme of measures was not adopted by member states until 1983 when the Common Fisheries Policy proper was established<sup>11</sup>. There were four main areas that together hoped to address the biological, economic and social dimension of fishing:

- Conservation of fish stocks;
- Structures – to address issues related to vessel modernisation, port facilities and processing plants;
- Common organisation of the market; and
- External fisheries policy including agreements with non-community third countries.

## 2.1 CONSERVATION

The presiding ethos of the Common Fisheries Policy (CFP) from its inception has therefore been to achieve a balance between the conservation of fish stocks and the maintenance of viable national fishing industries that can support fishermen and their families<sup>12</sup>.

Thus the issue of sustainability, both biological and economic, has been one of the core principles of the CFP. Article 1 of Regulation 170/83 established these aims:

*the protection of fishing grounds, the conservation of the biological resources of the sea and their balanced exploitation on a lasting basis and in appropriate economic conditions.*

Conservation policies of the CFP are aimed at regulating the quantities of fish caught through a system of Total Allowable Catches (TACs) based on scientific advice. A TAC is set each year by the European Union for each fish stock in Community waters. This involves establishing the maximum quantities of fish that can be caught over a given time. Member states are annually allocated a share of this quota on a fixed percentage basis. This share is based on a number of factors including countries' past track record and forms the basis of the concept of 'relative stability'. Relative stability ensures that each member state can expect its fishing industry to retain its position relative to other member states. It has been stated however that relative stability undermines one of the fundamental pillars of the CFP that of open access to all community waters. With TACs being central to the Community's conservation policy it is not a surprise that the policy has failed to achieve its objectives having previously been used by international commissions (e.g. North East Atlantic Fisheries Organisation) for management of stocks and found inadequate. Quotas are believed to only be of conservation value when they are applied in fisheries where each stock is individually exploited, however the fisheries within the EU are mixed i.e. fishermen may catch several different species at one time<sup>13</sup>. In practice this means that when the quota for one fish has been reached fishing will still continue until the TAC held for any other fish stock has also been met. Fish for which the quota has been reached will still therefore be caught and either discarded or landed illegally neither of which serves to conserve the stock. As the Marine Conservation Society stated in their evidence to European Committee of the Scottish Parliament<sup>14</sup>:

*"TACs and quotas are an inappropriate tool for controlling effort and thus conserving fish stocks. In particular it is a fundamentally flawed system of management for demersal mixed species with inherent problems associated with discarding, misreporting and over quota or 'black' landings".*

The assurance of TACs through relative stability has encouraged over-capitalisation within the fishing industry. Investment in new boats and fish-finding technology has resulted in increased fishing effort to recoup that investment to the detriment of fish stocks.

It has been recognised therefore that sustainability of stocks is not being achieved and that the CFP has merely been a *'politico-economic mechanism that sub-divided a resource between the EU's fishing industries'*<sup>15</sup>. The first ten-year review of the policy in 1992 highlighted the fact that over-investment and overexploitation had put commercial fish stocks under too much pressure and subsequently led to smaller landings. Additionally, with the focus on these target species the broader ecological implications of fishing on ecosystems have been overlooked<sup>16</sup>. To date, as Cooper (1999) pointed out, there has not been the political commitment from member states to establish a consensus for radical change<sup>12</sup>.

From a *political* perspective it has been suggested that the CFP has been a success<sup>17</sup>, however its lack of emphasis on the conservation of fish stocks has contributed to a potential ecological disaster. In other non-EU areas poor management has led to the complete collapse of the fishery, exemplified by the cod fishery on the east coast of Canada (Figure 2)<sup>18</sup>. Reported landings of cod, *Gadus morhua*, the most important species in the east coast fishery of Canada, peaked in 1968 at approximately 1 866 000 t and then fell steeply to around 482 000 t in 1978. There was a subsequent recovery during the period 1982 to 1989, followed by the collapse to the point of closure of the fisheries in Canada, essentially still the situation in Canada today. This collapse had far reaching socio-economic implications when

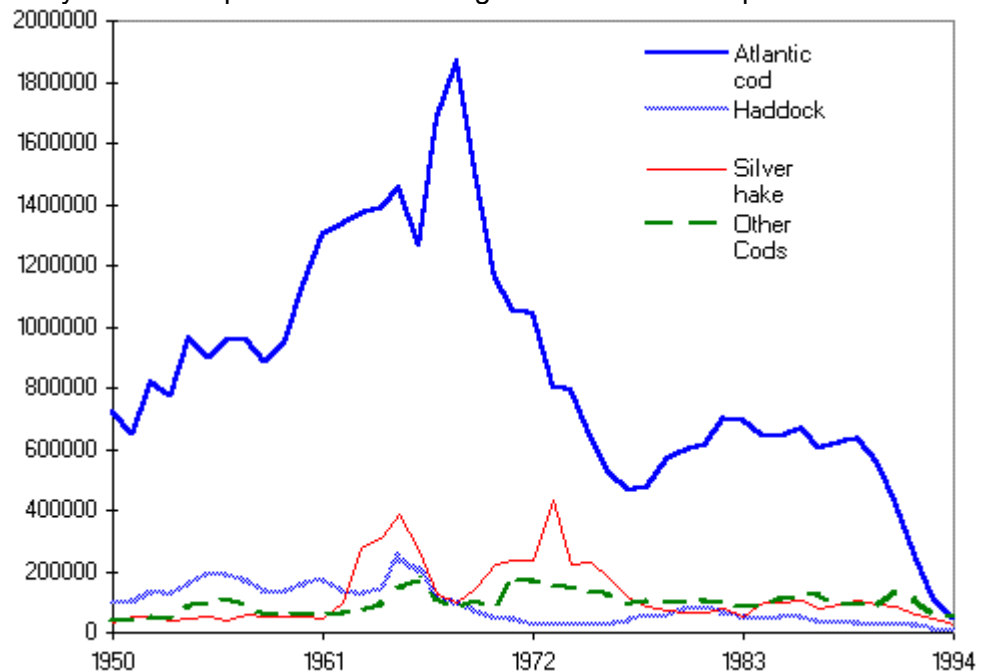


Figure 2 The total catch (in tonnes) of certain fish species in the east coast fishery of Canada between 1950 and 1994

25 000 fishermen and 10 000 related workers lost their jobs<sup>19</sup>. Establishing short-term social and economic priorities rather than resource conservation priorities can precipitate such crises<sup>20</sup>. As Franz Fischler, Commissioner for Agriculture, Rural Development and Fisheries, stated in a speech on 5<sup>th</sup> June 2001 at a hearing on the European Commission's Green Paper on the CFP:

*"Too many fish stocks are depleted. For example, cod in the North Sea and in Western waters are in such a poor state that emergency measures are required to help to rebuild them. This is also the case for Northern hake. A number of stocks in the Mediterranean are also overexploited. It is a sobering thought that, in the early*



*1970s, average stock levels of demersal species were nearly twice as high as at the end of the 1990s. This is bad for fish stocks and for the fishing industry because when fish stocks diminish so do fishermen's income and jobs. However, the long term implications of such a policy is obvious i.e. the collapse of the very fish stocks that sustain the economic well-being of the fisherman".*

This approach, followed in practice under the CFP, has led observers to conclude that the Common Fisheries Policy) is *"totally failing to achieve its fundamental objective"* of matching fishing effort and resources<sup>21</sup>. The current scenario is therefore, over-exploitation of fish stocks caused by too many fishermen chasing too few fish for too little financial reward.

Intrinsic to why conservation policies of the CFP appear to be so obviously failing in their objectives is the process of how decisions are made at a European level. The Commission i.e. the staff of the appropriate Directorate General formulates all EC policy proposals. These are then submitted to the European Parliament and the Economic and Social Committee for comment. In addition there is some consultations held with senior civil servants from member states. Formal consideration of the proposals is then made by COREPER, the Committee of permanent representatives from member states. Finally they are presented to the Council of Ministers for decision. In cases where the Council rejects the proposals they are returned to the Commission for redrafting or withdrawal. Symes (1997) highlights the potential problems with this process<sup>22</sup>:

*'a long and complex process of decision-making, subject to serious delays; a lack of effective consultation with the resource users; the inevitability of compromise between the original scientifically based recommendation and the lowest common denominator of the Council's majority opinion; and a confusing and potentially conflictive division of responsibility between centralised policy formulation in Brussels and devolved policy implementation at member state level'.*

This approach has led to the apparent paradox of governments setting out to protect the national self-interest in meetings of the Council of Fisheries Ministers, while at the same time being committed to the allocation of quotas among fellow member states for mutual benefit. Addressing a WWF conference in Lisbon in September 1998, the Rt Hon John Gummer MP, Chairman of the Marine Stewardship Council and formerly Minister of Agriculture, Fisheries and Food (1989-93) and Secretary of State for the Environment (1993-97), said:

*"If you are a fisheries minister you sit around the table arguing about fishermen—not about fish. You're there to represent your fishermen. You're there to ensure that if there are ten fish you get your share and if possible a bit more. The arguments aren't about conservation, unless of course you are arguing about another country"<sup>23</sup>.*

Given the potential political repercussions at a national level of agreeing to a reduction in the national TAC, Member states have tended to set TACs at levels above that of the scientific advice. Karagiannakos<sup>24</sup>, as quoted in Payne<sup>25</sup>, in an analysis of TACs applied to the North Sea demersal fishery states that

*'It is almost the rule that under political pressure and compromises the scientific advice is...altered and revised upwards in the Council of Ministers'.*

Within the UK this is further exacerbated, particularly since devolution, due to Ministers from Scotland, England, Wales and Northern Ireland each putting a case to Department for Food, Environment, Rural Affairs (DEFRA), formerly MAFF, for representation of the respective position of the fishermen in their own region. These representations must then be reconciled into a coherent *national* negotiating position to be presented before the Council of Fisheries Ministers. There is, therefore, the potential for winners and losers at a national level even *before* negotiation begins at the Council of Ministers. The protection of national priorities for political expediency in the short-term is undermining the future long-term survival of fish stocks and by extension the European fishing industry.

The ability of TACs to assist in conservation of species is therefore further undermined at a political level *regardless* of their efficacy as a conservation tool. Adherence to the precautionary principle to deal with uncertainty in establishing TACs is gradually becoming accepted in the fishing industry but still the Council must weigh up its decision on TACs, based upon generally *uncertain* scientific advice, against the economic and social impact on fishermen. To date, as a general rule, the economic and social arguments have held sway in formulating these decisions.

As a signatory to the United Nation's Convention on Biodiversity the European Community drew up a global action plan in 1998 to guarantee the conservation and sustainable use of biological diversity. One of the areas addressed in this plan is fisheries. The Commission adopted the Action Plan for Fisheries on the 28<sup>th</sup> of March 2001. It is acknowledged that fishing effort is unsustainable for most targeted species and that reducing this pressure is urgent. To this end recommendations are made to use all available instruments in the short, medium and long-term: fleet reduction, TACs, technical measures, and the closure of fishing grounds.

## **2.2 ECONOMIC AND SOCIAL ISSUES**

If fisheries exist to sustain economic and social goals then it should be expected that there should be some benefit in each of these areas. However the extent of the benefits from an economic perspective are at best arguable. It has been estimated that the gross revenues from total global marine landings in 1989 were US\$70 billion whereas the total operating cost of the fisheries was approximately US\$92 billion. With annual capital costs of around US\$32 billion there was a total deficit of around US\$54 billion for that year<sup>26</sup>. Overcapitalisation in the fishing industry has resulted in increased fishing effort in order to recoup the investment. This has had the result of increased capture of fish, a finite resource, and therefore a decrease in the numbers capable of reproducing and therefore sustaining the population. As noted above pressure has been exerted on the most valuable commercial species such as cod and led to severe depletion in the population in various sea areas.

In 1998 552,000 tonnes of sea fish were landed in the UK with a value of £484m, while a further 371,000 tonnes or £176m were landed abroad by UK vessels. The fleet comprised some 8,300 vessels, employing 18,604 fishermen. A further 19,454 were employed in the fish processing industry<sup>27</sup>. A recent statistical bulletin published by the Fisheries Directorate of the European Union noted that employment in fisheries in all member states had fallen and that this was due to an extent by over-

exploitation of resources and technical progress<sup>28</sup>. In 1996/97 the number of jobs in EU dependent on the fishery sector was estimated at between 580 000 – 600 000<sup>29</sup>. Approximately 251 600 jobs were directly due to marine fishing while a further 96 250 jobs were provided in fish processing. It is important to note that the number of full-time jobs in the fleet sector is equivalent to 234 000 which reflects the low dependence on part-time work. Additionally there are a significant number of jobs, 87 000, held by women in the EU fisheries sector mostly in processing and aquaculture activities. The authors suggest that this provides a clear argument for “*consideration of gender issues in socio-economic policy measures for the EU fishery sector*”. The employment of women in the fishing industry has traditionally been in the processing, marketing and distribution of the catch particularly in small-scale rural fisheries<sup>4</sup>. However, because of the increasing industrialisation and urbanisation of the industry these jobs may be under threat. In the North Atlantic and Mediterranean there has already been a “*decline in the quality of life and standards of living*” of many fishing communities<sup>30</sup>.

It is important to draw a distinction between economic and social priorities. Often social and economic goals can be in conflict. Rationalisation of the industry may well favour powerful economic interests i.e. the big fishing companies with greater financial resources that can facilitate a significantly reduced but more efficient fishing industry at the expense of the small-scale sector and, therefore, local jobs.

In the EU Bulletin it is noted that there are 963 fishers in Northern Ireland of which 815 were full time and 148 part-time. Most of the employment is located around Kilkeel and Portavogie. Similarly in 1996 there were 814 full time and 208 part time jobs in the processing industry with the largest number employed in Kilkeel with 549 persons employed and 226 people in Ardglass. These statistics point to a potential problem with a Europe-wide fisheries policy i.e. while the total number of jobs relative to other sectors of the economy may be small there are a number of communities that rely on the fishing sector for economic and social survival. Therefore in any review of the CFP there must be a balance between establishing an economically viable EU fleet - by an appropriate reduction in the number of vessels and fishing effort - with the potential adverse social and economic impact at a local level.

### **3. FUTURE OF THE COMMON FISHERIES POLICY**

The Director General of DG Fisheries European Commission, Steffen Smidt, has stated that:

*“...the main priority for public aid should be to assist disinvestment, that is, the scrapping of fishing vessels which is essential not only for safeguarding resources but also for improving the profitability of the remaining fleet. We also need to invest more in people, by helping fishermen and others in the sector move into more stable alternative employment”<sup>1</sup>.*

This position is reflected in the Commission’s recent Green Paper<sup>5</sup> on the CFP in which ten main issues are addressed. They are:

1. Strengthening and improving Conservation policy

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<sup>1</sup> Speech given at the Nordic Conference on Protection of the Sea and Sustainable Utilisation of living and marine resources in the North Atlantic. Torshavn, Faroe Islands, 21 June 2001.

2. Promoting the environmental dimension of the CFP
3. Promoting animal and public health and safety in the fisheries sector to ensure consumer protection
4. Fleet Policy
5. Improving Governance within the CFP
6. Monitoring, Control and Enforcement
7. Strengthening the social and economic dimension of the CFP
8. External Relations
9. Mediterranean Fisheries
10. Research and Scientific advice

The Green Paper puts forward a number of proposals in relation to each of these areas for discussion. These are considered below.

### **3.1 STRENGTHENING AND IMPROVING CONSERVATION POLICY**

There are three strands that comprise this section of the Green Paper:

- A multi-annual multi-species and ecosystem-oriented management
- Stronger technical measures
- Monitoring of the agreed policies towards sustainable development

There is great uncertainty in the estimation of fish resources given that fish populations demonstrate very high variability, which in turn is related to variability in the environment. This variability has obvious implications for management decisions. Interactions at the ecosystem level are even less understood than the comparatively simple population dynamics. However the aim of the CFP is to manage the ecosystem that fish are just one part of. A comprehensive ecosystem-based fisheries management approach would require consideration of:

*“all interactions that target fish stock has with predators, competitors, and prey species; the effects of weather and climate on fisheries biology and ecology; the complex interactions between fisheries and their habitat; and the effects of fishing on fish stocks and their habitat”<sup>31</sup>.*

While a full *understanding* of all the components of the ecosystem would be desirable it is accepted that there will always be:

*“unmeasured entities, random effects, and substantial uncertainties, but these are not acceptable excuses to delay implementing an ecosystem-based management strategy”.*

There is no detail in the Green Paper on ecosystem management or even a definition of what it is. However the aspiration is to adopt for this type of approach, *“to all areas of fishery management, from resources to consumers in order to contribute to the achievement of a sustainable exploitation of the marine ecosystem”* as stated in the Paper. In conjunction with this is the aim to establish a multi-annual management strategy compatible with the precautionary principle. It is also suggested that environmental and ecosystem objectives and strategies could be set for key species and habitats by limiting by- and incidental catches.

In order to robustly support these objectives technical measures need to be more effective i.e. the Irish National Strategy Review Group on the Common Fisheries Policy has suggested increasing mesh sizes for certain whitefish species to 100mm to reduce discard rates, regulating the length of demersal gill nets, and investigate the use of square mesh panels to permit the release of juvenile hake<sup>32</sup>. A number of other issues up for debate may prove more controversial. The Commission states in the Green Paper that it sees no other alternative to relative stability, the retention of which the UK supports. This appears to be an attempt to reassure Member States concerning their share of the quota. Importantly however there is the suggestion that once the structural problems of the fisheries sector have been addressed the reasons for maintaining relative stability will be reconsidered. This offers the possibility of allowing market forces to operate in fisheries as in the rest of the EU economy. The Paper also suggests maintaining the 6 to 12 mile zone which reserves access to small-scale coastal fisheries. Its aim has been to:

- Protect fisheries resources in this area which often harbours nurseries; and
- To protect the fishing activities of the coastal communities thereby maintaining their economic and social well-being.

The UK has made the maintenance of the restriction on access to the 6 to 12 mile zone a priority. This is generally supported throughout the Community. Another strand to conservation policies is the restriction on access to the Shetland Box and the North Sea.

### **3.2 PROMOTING THE ENVIRONMENTAL DIMENSION OF THE CFP**

Two approaches are suggested:

- |  |
|--|
| <ul style="list-style-type: none"><li>• Integration of environmental considerations through the current review process and the full implementation of all strategies and action plans in relation to biodiversity and environmental protection</li><li>• Launch of the debate on eco-labelling</li></ul> |
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The Commission supports the objectives of eco-labelling that will allow consumers to make informed choices when buying fish based on environmental considerations. The Marine Stewardship Council (MSC) already issues a sustainable fisheries eco-label. All the major supermarket chains in the UK support it, as do seafood companies such as Unilever. All the products produced from sustainable fisheries and which are certified by accreditors independent of the MSC, are sold by

Sainsbury's, while Marks and Spencer and Tesco sell one product each. The long-term success of the scheme depends on the attracting the large commercial fisheries that catch whitefish such as cod, haddock, plaice and whiting but once whitefish supplies are accredited by big seafood companies the number of retailers and caterers selling the products should also increase<sup>33</sup>.

### **3.3 PROMOTING ANIMAL AND PUBLIC HEALTH AND SAFETY IN THE FISHERIES SECTOR TO ENSURE CONSUMER PROTECTION**

The aim is to address the impact on fisheries products due to the overhaul of Community food legislation and to ensure that fish imported from third countries fulfil equivalent health requirements to those provided by Community legislation. Because the Financial Instrument for Fisheries Guidance (FIFG) allows for funds to be directed to the processing industry this overhaul may require Member States to consider how such funds can be used to assist the sector to meet all health requirements under legislation.

### **3.4 FLEET POLICY**

The 'Gulland'<sup>34</sup> report produced in 1990 and the 'Lassen'<sup>35</sup> report produced in 1995 suggested that there should be reductions of fishing mortality of around 40% for prudent management of stocks and in many cases much higher. Excess capacity has to date been managed by multi-annual guidance programmes (MAGPs):

MAGP I, 1983 – 86  
MAGP II, 1987 – 91  
MAGP III, 1992 – 96  
MAGP IV, 1997 – 2001

All investment programmes were to be consistent with fleet development as outlined in each successive MAGP which each member state was required to draw up. Again the fundamental aim of these programmes was to balance the fishing capacity to be deployed with the fish stocks estimated to be available. MAGP III was relatively inefficient and achieved only 15% in tonnage and 10% in power<sup>5</sup>. The objectives of MAGP IV are so weak – reductions in fleet capacity by 3% and in activity by 2% over a five year period – that the Community fleet as a whole had already met the objectives for 2001 when the MAG IV was adopted in 1997. As stated in the House of Commons Select Committee on the European Union<sup>36</sup>:

*“The Fourth Multi-Annual Guidance Programme (MAGP IV)....has so far dismally failed to produce reductions in total EU fishing capacity, which on the contrary has continued to show net year-on-year increases”.*

This highlights an important aspect of any potential change in fleet policy as the Green Paper recognises i.e. that any reduction in tonnage and power may have been offset by the increase in efficiency of fishing vessels due to advances in technology e.g. vessel gear, fish finding equipment and telecommunications. The Green Paper also suggests that because there is segmentation of the fleet i.e. ships fish for cod, hake, herring, nephrops etc. an overall reduction in the fleet could potentially mask over-capacity in a particular segment that is already over-exploited. Reduction in fleet capacity could therefore be segmented either under MAGP IV or on defined

criteria common to all Member States. Two approaches are put forward to achieve these objectives.

1. The setting of fixed targets for a defined time period embracing the following:

- Reductions in terms of capacity
- Segmentation of the fleet for all Member States
- Fixed reduction rates for each type of segment across all Member States

Details of the methods to achieve these have not yet been debated however under Article 6 and 9 of Council Regulation No. 2792/99<sup>37</sup> Member States have introduced “entry – exit” regimes<sup>2</sup> which could be adjusted to allow for a greater capacity to be withdrawn as new capacity is introduced. It is further suggested that where publicly-aided capacity is introduced a substantially greater capacity should be withdrawn. This has implications for each Member State’s proposals for spending under the FIGG.

2. A second approach would create a mechanism whereby the capacity of the fleet is gradually and automatically reduced over time. In effect this would mean a more strengthened “entry-exit” regime to reduce the fleet at an appropriate rate and would take into consideration the need to counter technological progress. Issues such as over-exploitation of resources, the use of environmentally friendly gears and fishing activities could be considered.

### **3.5 IMPROVING GOVERNANCE WITHIN THE CFP**

The Paper refers to the need to respond to emergencies more quickly e.g. real-time short-term closure of a fishing ground and also states that it is necessary to have closer communication between fishermen and scientists. Proposals to address the communications issue include:

- Decentralised regional or zonal management to address local and emergency situations;
- A system of regional advisory committees to advise the Commission;
- A centralised Community management framework including scientists and industry to promote transparency of scientific advice;
- Improve the compatibility of the CFP with other policies e.g. Integrated Coastal Management Zone (ICZM).

Central to improving governance is the proposal to establish a greater involvement of stakeholders. However, the Paper does state that the current institutional framework

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<sup>2</sup> This essentially means that any additional fishing capacity e.g. new ships, is balanced by the removal of existing capacity.

does not foresee the formal participation of stakeholders rather it suggests their participation in the *pre-decision* phase of CFP policy-making.

### **3.6 MONITORING, CONTROL AND ENFORCEMENT**

There is an absence of harmonisation of sanctions and of the powers of Community inspectors. The organisation of control and monitoring is fragmented. The Paper acknowledges that there is a need to refine the responsibilities of the Commission and the Member States in relation to regional fisheries organisations (RFOs).

The lack of a clear Community strategy on control and monitoring of fishing activities in international waters jeopardises it meeting its international obligations as well as undermining its credibility. To address this the Paper suggests that serious consideration should be given to the setting-up of "*a Community Joint Inspection Structure to co-ordinate national and Community inspection policies and activity and to pool the means and resources for control purposes*". This is one of the UK government's priorities in order to ensure greater effectiveness and consistency in control and enforcement of EU requirements.

### **3.7 STRENGTHENING THE SOCIAL AND ECONOMIC DIMENSION OF THE CFP**

Two types of measures are proposed:

- Those to help secure a sustainable and economically viable fisheries sector; and;
- To help find alternative employment for former fishermen

Programmes supported by the Structural Funds including FIFG will run until 2006 however within these it is suggested that there should be flexibility to re-prioritise funding "*to promote a more sustainable and economically self-sufficient fisheries sector and to strengthen and diversify the economic base of fisheries-dependent areas*".

Reconsideration of the current FIFG is proposed at three levels:

- In order to take account of unforeseen events e.g. reduction in fishing opportunities in third countries, closure of fishing grounds due to the introduction of stock recovery plans;
- Revision of structural aid to the fishing fleet e.g. for modernisation or construction, and increasing that for decommissioning;
- To ascertain whether investment aid for the fleet might be phased out and redirected to focus on the reduction of the fleet by, for example, "once and for all" decommissioning aid at more attractive financial conditions.

Other management approaches not widely used in Europe are also proposed for discussion:



- A market-based system for allocation of quotas e.g. individual transferable quotas (ITQs);
- Co-management systems;
- Access levies for the right to fish.

There are also priorities to support aquaculture to address aquaculture development in line with environmental considerations and market demand for certain species.

### 3.8 EXTERNAL RELATIONS

Bilateral and multilateral agreements with third countries are important since distant-fishing vessels from the Community lost access to fishing grounds following the extension of national exclusive economic zones (EEZs) from 12 to 200 miles. The importance of third country agreements is highlighted by the fact that 20% of the EU production of fish and shellfish is supplied from outside EU waters, 8000 fishermen are employed on-board vessels and about 20000 in ancillary industries<sup>38</sup>. Until recently the EU had 26 agreements currently in force with third countries, however the EU suffered a setback when it was not possible to reach an agreed position with Morocco to continue with the previous agreement.

When the Fisheries Agreement with Morocco ended on 30 November 1999, some 400 Spanish and Portuguese vessels were fishing under this Agreement. Compensation was granted to the affected fleet from 1 December 1999 till June 2000 as provided under FIGG for temporary cessation of activities. As agreement was not reached, this aid was extended until 31 December 2000. This extension was conditional on the submission by the two Member States concerned of fleet conversion plans. The Commission decided to extend the aid to Portuguese and Spanish fishermen until the end of 2001 "for social reasons"<sup>39</sup>. The Commission on 30 November 2000 approved these plans. It is estimated that a total of € 194M has been allocated to the fleets concerned:

Member State	Total in € million	EU share in € million	Beneficiaries
	Spain	170	127 Ship owners and crews
	Portugal	24	18 Ship owners and crews
Total		194	145

The aim of this policy is to ensure access to fishing waters of third countries for the Community fleet in accordance with development and environmental policies and the fundamental aim to ensure the sustainability of fisheries.

### 3.9 MEDITERRANEAN FISHERIES

Fishing in the Mediterranean is another important element of the fishing industry in Europe. Most of the fisheries take place in the coastal band and involve all four Mediterranean Member states (France, Greece, Italy and Spain) employing some 105 000 fishermen on 47000 vessels. This accounts for about 40% of all Community fishermen and almost half the Community fleet. The annual catch is over 1million tonnes which accounts for 20% of the Community's production in volume<sup>40</sup>. The Green Paper indicates that Community Policy in the Mediterranean has not met expectations i.e. implementation of technical measures has not been satisfactory, data is lacking and there is slow progress in international co-operation. The Paper puts forward a number of suggestions including:

- The strengthening of enforcement and monitoring regime;
- Development of an Integrated Coastal Management Zone as the basic tool for the enhancement of fishing and aquaculture activities; and
- Priority to be given to multi-lateral co-operation.

These have the aim to:

- Promote the integration of the Mediterranean into the CFP through the improvement of scientific advice, the reviewing of the technical measures Regulation No 1626/94 and the strengthening of control and enforcement;
- Re-launch the efforts to promote international co-operation.

### 3.10 RESEARCH AND SCIENTIFIC ADVICE

The Paper suggests areas where research needs to be focussed in order to better understand the functioning of aquatic ecosystems in relation to different types of fishing pressure and exploitation strategies. It places emphasis on an interdisciplinary approach combining conventional fisheries research with conservation science and economics with the aim to *"deliver sufficiently robust insights into complex socio-economic and natural ecosystems in cost-effective ways to improve the basis of decision-making..."*

### 4.0 CONCLUSION

The 1982 UN Convention on the Law of the Sea<sup>3</sup> states that in Article 61.2 that: *'The coastal State, taking into account the best scientific evidence available to it, shall ensure....that the maintenance of the living resource in the Exclusive Economic Zone (EEZ) is not endangered by over-exploitation'*

Each state has an EEZ within which it can set its own priorities. However given the requirements of the above Article it is clear that there is a legal obligation to *sustainably* manage the fisheries resource. It is evident, as the Green Paper has

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<sup>3</sup> Entered into force on 16 November 1994

pointed out, that this will only be achieved through a comprehensive process of fleet capacity reduction and a reduction in the fishing effort. Associated with this are socio-economic issues surrounding the decommissioning of vessels and the apparent contradictory aim to modernise the European fleet. Modern vessels are much more efficient than older vessels therefore any decommissioning of vessels must take under consideration the technological improvements.

While international institutions may form the basis for co-operation they may not necessarily lead to effective conservation policies. With the CFP this has perhaps been due to conflicting institutional interests between Member States<sup>25</sup> as well as a lack of political will at a national level. Intrinsic to the reform of the CFP is the requirement for the political will to propose and implement *real* change. Tinkering with peripheral issues will not help sustain national fishing industries in the long term indeed it has been shown that this only delays, and makes harder, decisions that will provide the long-term security that fishermen need. It is acknowledged that balancing a modern and economically and socially sustainable fishery with conservation objectives will prove difficult; a paradigm shift in setting priorities from all stakeholders will be required. One thing is certain, little or no change in fishing effort and fleet size will see a continued decline in landings, further job losses and the undermining of the potential to mitigate against fish population decline and therefore fish industry collapse.

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